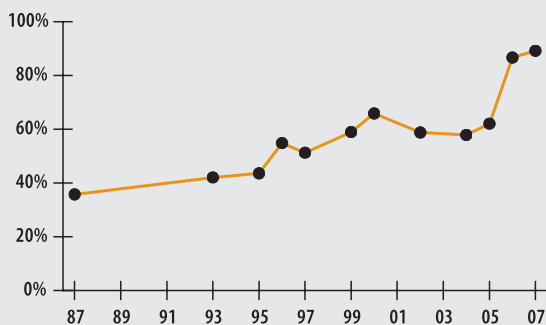
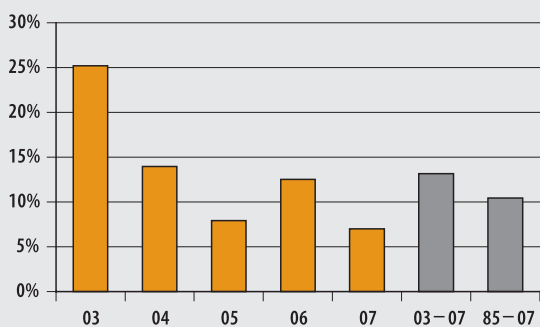


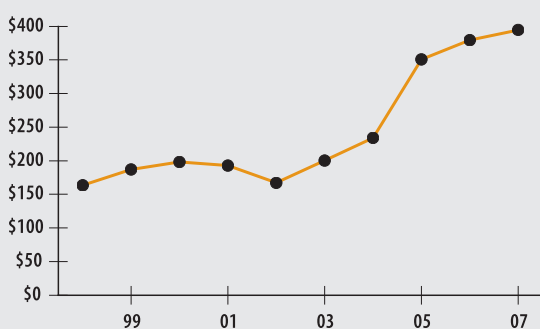
Funded Ratio (1987-2007)



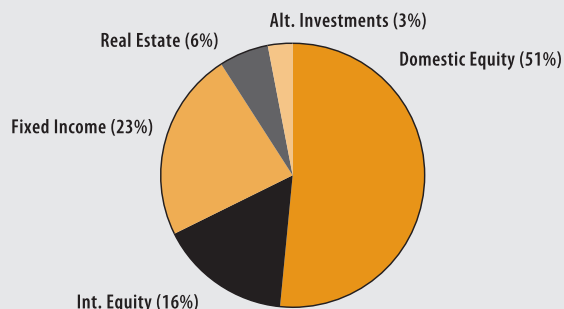
Investment Return (2003-2007, 5 Year and 23 Year Averages)



Asset Growth (1998-2007) (Market Value in Millions)



Asset Allocation (12/31/07)



ACTUARIAL

• Funded Ratio	89.2%
• Date of Last Valuation	01/07
• Actuary	Buck
• Assumed Rate of Return	8.00%
• Funding Schedule	2.5% Increasing
• Year Fully Funded	2020
• Unfunded Liability	\$45.3 M
• Total Pension Appropriation (Fiscal 2008)	\$10.6 M

	Active	Retired
• Number of Members	1,843	1,233
• Total Payroll/Benefit	\$72.3 M	\$27.0 M
• Average Salary/Benefit	\$39,200	\$21,900
• Average Age	NA	74
• Average Service	NA	NA

INVESTMENT

Domestic Equity

- Boston Company Asset Management
- ICC Capital Management, Inc.
- ICON Advisers, Inc.
- Independence Investments LLC
- Wellington Trust Co.-CIF Mid Cap Growth Portfolio
- Valley Forge Asset Management Corporation
- Voyaguer Asset Management Inc.

International Equity

- Acadian International Small Cap Fund
- Boston Company Emerging Markets Pooled Fund
- Voyaguer International Fund

Domestic Fixed Income

- Loomis, Sayles & Company, L.P.
- Voyaguer Asset Management Inc.

International Fixed Income

- Delaware Pooled Trust International Fixed Income Portfolio
- Lazard Emerging Income Fund

Real Estate

- Arsenal Real Estate Fund IA, L.P.
- BlackRock Apartment Value Fund III, L.P.
- Duff & Phelps Real Estate Securities Trust
- Intercontinental Real Estate Investment Fund IV, LLC

- New Boston Institutional Fund, L.P. VI
- SSgA Tuckman / Residential Income and Value-Added (RIVA) Fund
- TA Realty Associates Fund VI

Alternative Investments

- Ascent Venture Partners II, III, IV L.P.
- Boston Capital Ventures II & III
- Charlesbank Equity Fund V
- HealthPoint Partners, L.P.
- INVESCO Non-U.S. Partnership Fund III, L.P.
- Levine Leichtman Capital Partners Deep Value Fund, L.P.
- New England Growth Fund II, L.P.

Commission Recapture

- Abel Noser Corporation
- Capital Institutional Services
- Donaldson & Company
- Fleet Institutional Trading
- Lynch, Jones & Ryan
- Merrill Lynch
- Patterson Securities, Inc.
- Trading Partners

Consultant

- Evaluation Associates, LLC

Custodian

- State Street

► 2007 Return	7.01%
► 2007 Target	8.00%
► 2007 Market Value	\$394.7 M
► 2003-2007 (Annualized)	13.16%
► 1985-2007 (Annualized)	10.47%